

## Message Text

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PAGE 01 STATE 172788  
ORIGIN EB-08

INFO OCT-01 ISO-00 SIG-02 AF-10 ARA-14 EUR-12 EA-09  
IO-14 AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00  
FRB-01 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00  
NSC-05 PA-02 AID-05 SS-15 STR-04 ITC-01 TRSE-00  
USIA-15 PRS-01 SP-02 FEAE-00 OMB-01 /144 R

DRAFTED BY:EB/OT/STA:WTDIROLL

APPROVED BY:EB/OT/STA:JSSPIRO

-----119254 281905Z /46

R 230251Z JUL 77

FM SECSTATE WASHDC

TO AMEMBASSY PRETORIA

AMEMBASSY BRASILIA

AMEMBASSY TOKYO

AMEMBASSY PARIS

USMISSION GENEVA

AMEMBASSY BRUSSELS

AMEMBASSY BELGRADE

UNCLAS STATE 172788

ALSO FOR USOECD, USEEC AND USDEL MTN

(CORRECTED COPY PARA 3, OMISSION IN LINE 5)

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: HIGH CARBON FERROCHROMIUM -- UNITED STATES INTER-  
NATIONAL TRADE COMMISSION(USITC) TO DETERMINE EFFECTS OF  
IMPORTS ON DOMESTIC INDUSTRY.

1. FOLLOWING IS TEXT OF USITC NOTICE PUBLISHED IN THE  
JULY 18 FEDERAL REGISTER ANNOUNCING THAT THE COMMISSION  
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PAGE 02 STATE 172788

HAD INSTITUTED AN INVESTIGATION TO DETERMINE WHETHER  
UNITED STATES PRODUCERS ARE ELIGIBLE FOR ASSISTANCE UNDER  
THE IMPORT RELIEF PROVISIONS OF TITLE II OF THE TRADE ACT  
OF 1974 (BEGIN TEXT):

INVESTIGATION INSTITUTED. FOLLOWING RECEIPT OF A PETITION  
ON JULY 1, 1977, FILED BY THE COMMITTEE OF PRODUCERS

OF HIGH CARBON FERROCHROME, THE USITC ON JULY 11, 1977, INSTITUTED AN INVESTIGATION UNDER SECTION 201(B) OF THE TRADE ACT OF 1974 TO DETERMINE WHETHER FERROCHROMIUM, CONTAINING OVER 3 PERCENT BY WEIGHT OF CARBON, PROVIDED FOR IN ITEM 607.31 OF THE TARIFF SCHEDULES OF THE UNITED STATES, IS BEING IMPORTED INTO THE UNITED STATES IN SUCH INCREASED QUANTITIES AS TO BE A SUBSTANTIAL CAUSE OF SERIOUS INJURY, OR THE THREAT THEREOF, TO THE DOMESTIC INDUSTRY PRODUCING AN ARTICLE LIKE OR DIRECTLY COMPETITIVE WITH THE IMPORTED ARTICLE.

PUBLIC HEARING. A PUBLIC HEARING IN CONNECTION WITH THIS INVESTIGATION WILL BE HELD BEGINNING ON TUESDAY, OCTOBER 11, 1977, IN PITTSBURGH, PENNSYLVANIA, AT A LOCATION TO BE ANNOUNCED AT A LATER DATE. REQUESTS FOR APPEARANCES AT THE HEARING SHOULD BE FILED, IN WRITING, WITH THE SECRETARY OF THE COMMISSION AT HIS OFFICE IN WASHINGTON NOT LATER THAN NOON, FRIDAY, OCTOBER 7, 1977.

INVESTIGATION TO BE EXPEDITED. IT IS THE BELIEF OF THE COMMISSION THAT THE INVESTIGATION CAN BE EXPEDITED AND IT IS THE INTENTION OF THE COMMISSION TO REPORT TO THE PRESIDENT BY DECEMBER 1, 1977, IF POSSIBLE.

INSPECTION OF THE PETITION. THE PETITION FILED IN THIS CASE IS AVAILABLE FOR PUBLIC INSPECTION AT THE OFFICE  
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PAGE 03 STATE 172788

OF THE SECRETARY, USITC, 701 E STREET NW., WASHINGTON, D.C. 20436, AND AT THE NEW YORK CITY OFFICE OF THE USITC LOCATED 6 WORLD TRADE CENTER. (END TEXT).

2. PETITIONERS ARE SEEKING THE IMPOSITION OF A QUOTA SET AT THE LEVEL OF THE AVERAGE ANNUAL VOLUME IMPORTED DURING THE YEARS 1972, 1973, 1974 AND 1976 TO APPLY FOR A PERIOD OF FIVE YEARS, WITH SUCH ANNUAL QUOTA TO BE APPORTIONED AMONG SUPPLYING COUNTRIES ON A BASIS DETERMINED BY THE PRESIDENT TO BE EQUITABLE. IN THE EVENT OF AN AFFIRMATIVE FINDING AND THE ESTABLISHMENT OF A QUOTA IS NOT THEN DEEMED SUITABLE, THE PETITIONERS SUGGEST THAT THE EXISTING TARIFF OF ZERO POINT SIX TWO FIVE CENT PER POUND ON CHROMIUM CONTENT BE INCREASED TO A LEVEL WHICH WOULD HAVE THE EFFECT OF LIMITING YEARLY IMPORTS TO THE AVERAGE ANNUAL VOLUME ENTERED DURING THE AFOREMENTIONED YEARS.

3. IN 1976, THE AGGREGATE VALUE OF UNITED STATES IMPORTS OF HIGH CARBON FERROCHROMIUM FROM ALL SOURCES OF SUPPLY WAS \$70 MILLION, OF WHICH NEARLY \$27 MILLION WAS ATTRIBUTABLE TO ENTRIES FROM SOUTH AFRICA. IN MILLIONS OF DOLLARS OF TRADE, RHODESIA (15) BRAZIL (10), YUGOSLAVIA

(10) AND JAPAN (5) WERE THE PRINCIPAL SECONDARY SOURCES OF IMPORTS.

4. THE CURRENT PROCEEDING IS THE SECOND INVESTIGATION INSTITUTED BY THE USITC UNDER SECTION 201(B) THE TRADE ACT OF 1974 FOR THE PURPOSE OF DETERMINING THE IMPACT OF INCREASED IMPORTS ON DOMESTIC PRODUCERS OF FERROCHROMIUM. THE FIRST INVESTIGATION WAS CONCLUDED ON JULY 11, 1977, WITH A DETERMINATION BY THE COMMISSION THAT IMPORTS WERE NOT A SUBSTANTIAL CAUSE OF SERIOUS INJURY TO THE INDUSTRY AND THAT THE DOMESTIC PRODUCERS WERE NOT ELIGIBLE FOR ASSISTANCE UNDER THE IMPORT RELIEF PROVISIONS OF THE TRADE ACT. THE CURRENT INVESTIGATION DIFFERS FROM THE EARLIER ONE IN THAT THE FIRST PROCEED- UNCLASSIFIED

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PAGE 04 STATE 172788

ING WAS INSTITUTED TO DETERMINE THE EFFECT OF IMPORTS OF LOW CARBON(NOT CONTAINING OVER THREE PERCENT BY WEIGHT OF CARBON) FERROCHROMIUM AND THE SECOND TO ASCERTAIN THE IMPACT OF HIGH CARBON (CONTAINING OVER THREE PERCENT BY WEIGHT OF CARBON) FERROCHROMIUM.

5. THE TRADE ACT OF 1974 PROVIDES THAT THE REPORT OF THE USITC DETERMINATION IN SECTION 201 PROCEEDINGS SHALL BE MADE AT THE EARLIEST PRACTICABLE DATE BUT NOT LATER THAN SIX MONTHS AFTER THE DATE ON WHICH THE PETITION IS FILED; IN THIS CASE THE REPORT IS DUE ON JANUARY 1, 1978. HOWEVER, THE USITC HAS COMMENCED ITS SECOND INVESTIGATION WITH EXTENSIVE INFORMATION REGARDING HIGH CARBON FERROCHROMIUM (INCIDENTALLY ASSEMBLED IN ITS FIRST PROCEEDING) ALREADY IN HAND AND IS THE BASIS ON WHICH THE COMMISSION HAS DECLARED ITS INTENTION TO SUBMIT ITS REPORT TO THE PRESIDENT BY DECEMBER 1, IF POSSIBLE. POSTS WILL BE ADVISED OF SIGNIFICANT

DEVELOPMENTS. MANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** HIGH CARBON FERROCHROMIUM -- UNITED STATES INTER- NATIONAL TRADE COMMISSION(USITC) TO DETERMINE EFFECTS OF IMPORTS ON DOMESTIC INDUSTRY.  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009